

PROSPERITY THROUGH GROWTH

THE PROSPECTUS FOR A LOCAL ENTERPRISE PARTNERSHIP FOR GREATER LINCOLNSHIRE

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PROSPERITY THROUGH GROWTH

The proposition

- Greater Lincolnshire is a distinct economic area with considerable strategic assets. The opportunity to create a Local Enterprise Partnership has enabled businesses and local authorities to renew our existing commitment to work together to make a step change to deliver **prosperity through growth**.

We will:

- Support businesses and entrepreneurs to exploit growth opportunities:
 - Assist entrepreneurs to set up and grow their business and increase the stock of private sector jobs
 - Provide specialist advice and guidance to enable businesses in our important industry sectors to differentiate their product and service offer
- Help business to overcome the barriers to growth by addressing market failure:
 - Address low skills levels resulting from our industries traditionally operating as low value added producers of goods and services
 - Overcome inadequate infrastructure resulting from the size and low population density of Greater Lincolnshire

Priorities for Greater Lincolnshire's Local Enterprise Partnership

High Market Failure	<p>Role for Local Enterprise Partnership in overcoming deprivation:</p> <ul style="list-style-type: none"> Support for economically disadvantaged communities (eg facilitating access to employment in areas of high public sector dependence) 	<p>Priority for Local Enterprise Partnership Investment:</p> <ul style="list-style-type: none"> Creation of infrastructure for business to thrive (Broadband and Physical Infrastructure) Workforce Skills Development Innovation driven through HE/Business collaboration
Barriers to Growth	<p>Business led: advocacy role For Local Enterprise Partnership:</p> <ul style="list-style-type: none"> "Generic" business support Supporting access to finance and funding Championing a reduction in "red tape" for all businesses 	<p>Strong catalyst role for Local Enterprise Partnership:</p> <ul style="list-style-type: none"> Facilitation of cluster support for key sectors Place marketing Strategic Planning
Low Market Failure	Low potential to drive future GVA growth	High potential to drive future GVA growth
Growth Potential		

2. Businesses and academia have expressed a strong desire to see a Local Enterprise Partnership across Greater Lincolnshire, co-operating with neighbouring Partnerships to ensure we can work closely together where appropriate to deliver our objectives.

“The proposed Local Enterprise Partnership for Greater Lincolnshire provides the unique opportunity and framework for the region to address its specific social and economic issues underlying the development of a sustainable and vibrant community.”

James Pinchbeck, Chairman the Lincolnshire Branch of the Institute of Directors

“The purpose of a Local Enterprise Partnership is to improve the environment for all the inhabitants who live and work within it and the FSB believes that this Greater Lincolnshire Partnership will achieve just that.”

David Dexter, Lincolnshire Region Chairman, Federation of Small Businesses

“Lincolnshire Chamber of Commerce endorses the creation of a Greater Lincolnshire Local Economic Partnership in support of a flourishing and vibrant local economy. We believe the proposed area - which is our preferred geography - makes natural economic sense and allows for the ability to form strategic partnerships with our neighbouring Economic Partnerships areas where appropriate. However, we do hope that the political will to facilitate this solution can be found.”

Ursula Lidbetter, Chamber of Commerce Director and CEO Lincolnshire Co-operative

“A Greater Lincolnshire Partnership makes perfect sense historically, geographically, culturally and economically. It not only wins support from the local authorities and private sector but will also be welcomed by the general public. That wide community support is vital for its future success.”

Jon Grubb, Editor, Lincolnshire Echo and Chair of Visit Lincolnshire

“I fully support the proposal of a Greater Lincolnshire Local Enterprise Partnership and look forward to the private sector having a greater involvement in this agenda.”

Paul Taylor, CEO, Dynex Semiconductor Ltd

“The University of Lincoln supports the Greater Lincolnshire Partnership and its agenda for enterprise and growth, which will be essential to re-balancing of the economy in eastern England.”

Gary Cook, Director of Policy and Enterprise Strategy, University of Lincoln

“We support the creation of a Greater Lincolnshire Local Enterprise Partnership. I believe that there are some real opportunities to establish strong linkages between the proposed Local Enterprise Partnership and the Employment and Skills Board agenda, as the employment and skills agenda is a key part of local economic regeneration.”

Herman Kok, Finance Director, Lindum Group and Chairman, Lincolnshire & Rutland Employment & Skills Board

“The proposed Greater Lincolnshire Local Economic Partnership will be the right partnership vehicle to take forward the economic development agenda”

David Hart, Chairman, Lincolnshire Enterprise

Objectives

3. The Local Enterprise Partnership will build on existing investments in the core areas of economic development:
 - Driving forward the **Enterprise and Innovation** agenda locally:
 - We believe there is a strong case for local interventions to provide tailored and specific support to businesses, and the Local Enterprise Partnership will have a key role in planning and co-ordinating that support
 - The Local Enterprise Partnership will continue to deliver a current programme that includes schemes to help businesses innovate and benefit from the opportunities associated with alternative energies and schemes to put our food producers in touch with the buyers from restaurants, catering establishments and major multiples
 - The Local Enterprise Partnership will oversee the **Employment and Skills** agenda, working in the first instance with the established Employment and Skills Board:
 - Analysis of economic data (the Lincolnshire & Rutland Employment & Skills Plan provides a good overview of a large part of the geography – see <http://www.lincsrutlandesb.com/>) shows that in order to grow the economy of Greater Lincolnshire, further work needs to be done in order to address pockets of worklessness in disadvantaged areas (overall employment levels are high), and to drive up skills levels within the workforce
 - The Partnership will therefore oversee the development of a sizeable vocational training scheme, building on an existing programme that helps people gain the skills to start their own business and building up skills in the adult care sector: an example of how we can turn the demographic characteristics of Greater Lincolnshire into an economic opportunity
 - The size, rurality and sparseness of Greater Lincolnshire (the population density is 141 people per km², which is only 36% of the England average) means that the Local Enterprise Partnership will need to work with providers and agencies to address issues relating to **Infrastructure and Physical Regeneration**.
 - The Partnership will drive the development of Teal Park on the edge of Lincoln as a major hub to drive innovation in the engineering sector
 - The Partnership will also lead a major scheme to remodel Grantham town centre and canal basin to provide an economic dynamo for the Grantham, one of Lincolnshire's Growth Points
 - We are committed to offering widespread use of digital technology, and the Partnership will lead innovative partnership activity between the private and public sectors
 - Given its importance the **Tourism** sector will be included as an area of focus for the partnership:
 - Directing the substantial amounts of funding currently being invested in the development of Historic Lincoln
 - Realising the leisure potential of our waterways (with the added benefit of creating linkages into waterways into the Fens)
 - Improving the green/outdoor facilities and attractions of the coast

4. The Local Enterprise Partnership would expect to have influence over **Local Transport, Housing and Planning**: as a result of the physical diversity of the area and current organisation of local government, democratic accountability for planning and housing best sit with individual District and Unitary Authorities, and delivery of the key requirements housing growth in the Growth Point areas is overseen by local Growth Point Boards.

Greater Lincolnshire

5. Greater Lincolnshire – the area of England between the Humber and the Wash and bounded by the River Trent to the west – was already a distinctive and important economy when the Romans colonised Britain and made significant investments in infrastructure to exploit the area’s natural assets.
6. Through the Middle Ages, agriculture brought considerable wealth to the area, and Greater Lincolnshire’s contribution to the nation’s wellbeing continued through the industrial revolution and into the twentieth century, when Lincolnshire’s airfields played a significant part in winning World War 2.
7. Although our economy was not a major beneficiary of the late twentieth century services sector boom, the strategic assets developed over many years on the back of our natural environment and history provided resilience during the recent global downturn and provide a sustainable platform for future growth:

Asset:	Opportunity:
<ul style="list-style-type: none"> • We have the greatest proportion of grade 1 land in England • Our coastline includes the UK’s largest port • We have many established food based businesses, including Fenmarc Produce Ltd; Bakkavor Group; Pipers Crisps Ltd; QV Foods Ltd; Youngs Seafood Ltd; Freshtime UK Ltd; Readifoods Ltd; and Moy Park • We have strengths in logistics and transportation • Lincoln University’s Holbeach Campus hosts the National Centre for Food Manufacturing • We have an established power engineering sector led by Siemens in Lincoln and the developing renewables sector based around the Humber ports • Lincoln University has partnered with Siemens to establish the first purpose-built School of Engineering in England for over 20 years 	<ul style="list-style-type: none"> • We can further build our pre-eminence in the Agri-Food sector, providing low carbon footprint food to the UK – from farm to fork, and from trawler to table • We have real sources of competitive advantage in leading the move to a low carbon economy

<p>Asset:</p> <ul style="list-style-type: none"> • Our heritage includes: the historic city of Lincoln; the East Coast resorts of Skegness, Cleethorpes and Mablethorpe; Boston with its links to the Pilgrim Fathers; The RAF heritage (exemplified by the Waddington airshow); and the inland beauty of “hidden England” including the Wolds 	<p>Opportunity:</p> <ul style="list-style-type: none"> • We can use our natural, cultural and industrial heritage to promote Greater Lincolnshire as a great place to live, invest, work or visit
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8. Greater Lincolnshire's history and geography also give us a number of challenges which need to be overcome. Our current programmes of activity are working to address these challenges, but for them to become enablers rather than barriers to growth, they will require continued focus by the Local Enterprise Partnership:

<p>Challenge:</p> <ul style="list-style-type: none"> • Greater Lincolnshire is predominantly rural with a sparse population: flows of labour and goods are impeded by an infrastructure built around inadequate infrastructure • We have a low skills base compared with many other areas, leading to the perpetuation of a low wage, low productivity economy, with lower GVA than the UK average • Although we have high employment overall, there are significant pockets of deprivation • Parts of Greater Lincolnshire have high dependence on the public sector – eg Boston has the third highest proportion of its workforce in the public sector of any rural District 	<p>Ongoing action required:</p> <ul style="list-style-type: none"> • Innovative ways are required to connect people and services where it is not cost-effective to provide new physical infrastructure: in particular this will require provision of high quality and reliable broadband connectivity • Our Employment & Skills Plan sets out an agenda to address the issues, delivering this agenda will require co-operation of business and public sector partners across Greater Lincolnshire • We have a strong HE and FE sector, and our Universities, Colleges and private sector providers of skills have all indicated their commitment to be part of the Greater Lincolnshire Local Enterprise Partnership
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9. The proposed Local Enterprise Partnership will provide new impetus to realise the opportunities and address the challenges, enabling us to create and exploit the flexibility to operate across existing boundaries and silos.

Geography

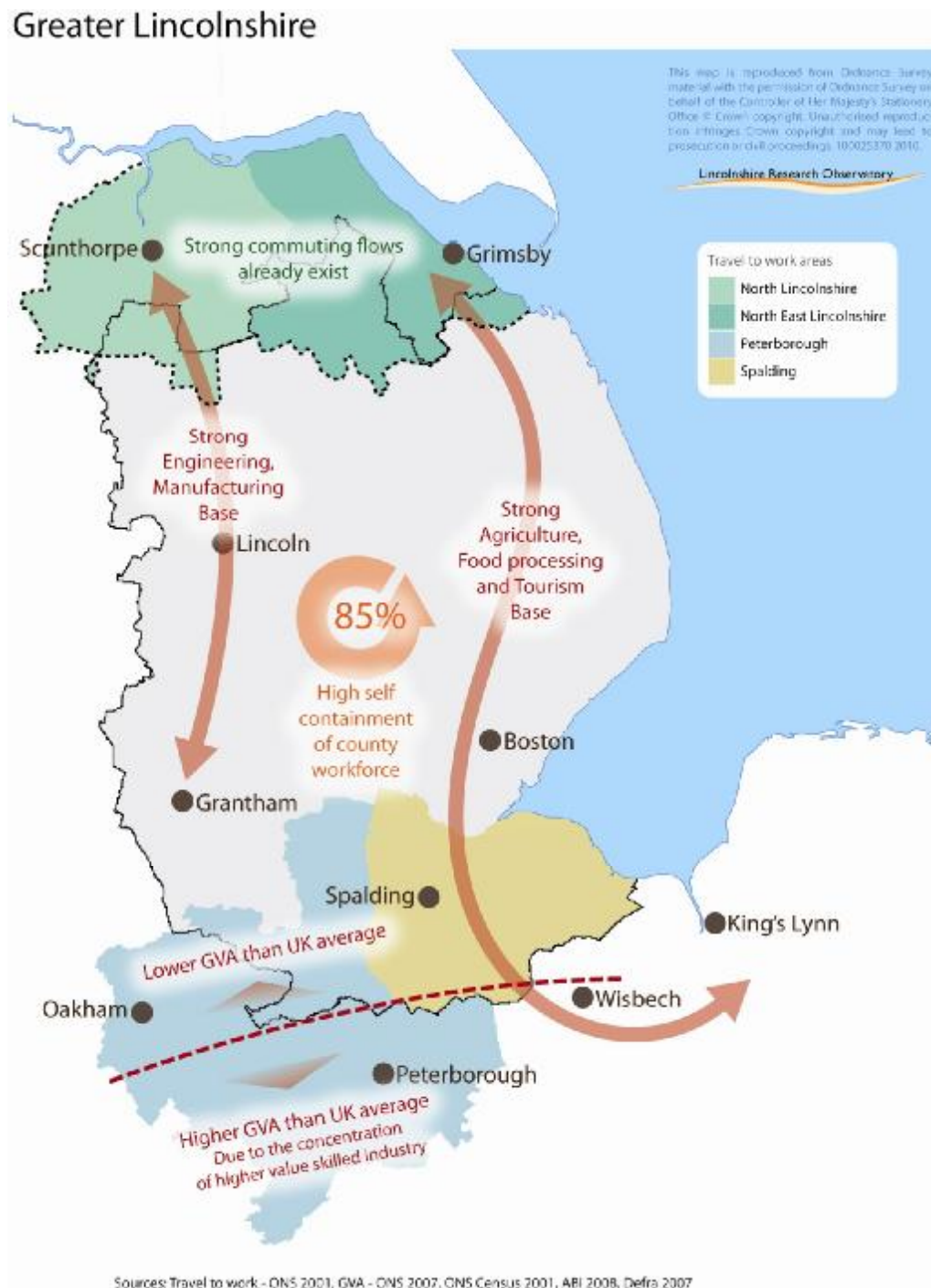
10. Greater Lincolnshire, comprising the Administrative County of Lincolnshire, plus North Lincolnshire and North East Lincolnshire Unitary Authorities (an area formerly straddling the East Midlands and Yorkshire & Humber Government Office regions) is substantial enough in terms of size, population and economy to

form a stand alone economic unit:

	Lincolnshire	North East Lincolnshire	North Lincolnshire	Total
Size (km ²):	6,103	203	876	7,182
Population:	697,900	157,100	161,000	1,016,000
Estimated GVA (£M):	9,751	5,403		15,154

SOURCE: ONS

11. A key feature of Greater Lincolnshire is the inter-dependence of its economic centres, with shared economic and social capital. This is clearly demonstrated in the commuting patterns and distribution of key sectors:



Key Statistics

- The Engineering and Manufacturing sector employs 37,000 people (16% of workforce compared to 9% nationally).
- The Agri-food and Tourism sectors employ 34,000 (19% of workforce compared to 12% nationally).
- GVA per head is higher to the south: Peterborough is 135% and Cambridge County Council is 105% of UK average compared to Lincolnshire's 70% and North and North East Lincolnshire 85% of UK average.
- High level of self containment, with 85% of the people living in the area also working in the area.
- Over 13,000 people commute daily between North / North East Lincolnshire and Lincolnshire.

12. Greater Lincolnshire has a character which makes it a unique and distinctive area – this is recognised by Visit Lincolnshire, which promotes the area as a coherent place to visit, live or work in. The economy is driven by the physical boundaries of the Humber, Trent and Wash and the rural nature of the area, with the principal settlements of Grimsby, Lincoln and Scunthorpe being smaller than the cities at the core of other sub-regions.
13. Market towns and other larger settlements such as Boston, Gainsborough, Grantham, Immingham, Skegness, Sleaford and Spalding are also important centres of economic activity in Greater Lincolnshire. These lie at the heart of smaller, but interconnected economic communities.
14. There are significant economic links with neighbouring areas. Some elements of the economic agenda operate over a wider sphere of influence and are best managed co-operatively across borders:
- **Growth Points:** The A1/A46 corridor includes three Growth Point areas within Lincolnshire (Greater Lincoln, Grantham and Gainsborough), and a fourth in the Newark & Sherwood District of Nottinghamshire (Newark). These share common opportunities and issues
 - **The Agri-Food and Tourism Sectors:** The issues facing land based businesses are common across South Lincolnshire and the north of East Anglia, and there would be benefit in sharing experiences and resources – for example the expertise developed within the Holbeach based National Centre for Food Manufacturing – across Kings Lynn/West Norfolk, Fenland and Rutland
 - **Cross Boundary Commuting:** There are opportunities for close working in transport planning given local commuting across immediate borders, including Bassetlaw, Corby, East Northamptonshire, Fenland, Harborough, Kings Lynn/West Norfolk, Melton, Newark & Sherwood, Peterborough and Rotherham

These links, whilst important, do not detract from the benefits of retaining Greater Lincolnshire as an economic entity.

Drivers of Economic Growth

15. Lincolnshire has produced an Economic Strategy (see http://www.lincolnshire-enterprise.com/public/about_us/) which describes the economy and its key issues, and all partners are currently producing Economic Assessments which, by March 2011 will set out an updated picture of the economy across Greater Lincolnshire. We propose to develop these into a Greater Lincolnshire Prosperity Prospectus to guide the Local Enterprise Partnership's future actions.

16. Greater Lincolnshire's economy is driven by a number of key growth sectors:

- **Agri-Food:** Combining agriculture, food production and distribution, Greater Lincolnshire is a major provider of food to the UK economy, "from farm to fork" and "from trawler to table". The sector has become increasingly focused on adding value along the food chain providing high quality home grown or landed produce to the UK market, and a Greater Lincolnshire Local Enterprise Partnership provides significant opportunities for further development of this sector, building on the sector's heritage, the physical assets of the area and the National Centre for Food Manufacturing run by the University of Lincoln from its Holbeach site and through co-operation across the partnership linking this with the work undertaken by Grimsby Institute. In addition there is a huge opportunity for business, academia and the public sector to work together to reduce the industry's carbon footprint across the supply chain.
- **Power Engineering and Environmental Technologies:** The area covered by Greater Lincolnshire has a heritage in manufacturing and engineering and retains core strengths in power engineering. These traditional strengths, added to the area's natural assets – land, coastline and the UK's major port – can be harnessed to serve the growing opportunity for renewable energy in the area, using the productive capability of the land as well as continuing the development of offshore production. Developing this sector to its maximum potential will require innovative working across business, the public sector and academia, for example to build on the existing partnership between Siemens and the University of Lincoln in creating a School of Engineering and to realise the ambition to create a £40M marine energy park on the south bank of the Humber.
- **Ports and Logistics:** Grimsby and Immingham form the fourth largest port in Northern Europe, handling 65.3M tonnes of cargo in 2008. In addition to import/export related activities (which include the chemicals sector), the port underpins the agri-food sector for the north of Greater Lincolnshire and provides a unique source of competitive advantage for the developing environmental technologies sector. Greater Lincolnshire also includes the port of Boston. The area benefits from being on the key north-south road and rail link (A1 and East Coast Main Line) and includes Humberside Airport. With the planned upgrade of the Peterborough to Doncaster rail link, there is also the opportunity to create a major road rail hub in the Spalding area (with initial investment of £25M and potential for up to £250M of mainly private sector investment in the future) to service the food industry and significantly reduce the carbon footprint of food distribution in the UK.
- **Services:** In recent years, the area has maintained high levels of employment, partly through the provision of publically funded services which

employ 27.4% of the area's workforce (the England average is 26.4%). A large proportion of these jobs are in healthcare (serving a growing population with a high proportion of older people) and defence (led by a significant RAF presence). As the public sector contracts, a challenge will be to replace lost jobs as well as transform previously public sector jobs into jobs within the private sector (both in profit generating businesses and social enterprises). Businesses operating as Social Enterprises have a growing importance of the provision of services, and within Greater Lincolnshire there are a number of examples of best practice, including the Healthy Hub and Hill Holt Wood.

- **The visitor economy:** The area has considerable assets in its environment, landscape, culture and heritage as a tourist destination and a place to live, work and invest. These assets are exemplified by the East Coast Resorts, Historic Lincoln with its copy of the Magna Carta, and the "hidden gems" of the Wolds and numerous market towns. These assets have traditionally formed the basis of the tourism industry, which in its current form is a mature industry with relatively low growth. However, there is a large potential from using the skills developed to market the tourist industry in a wider place shaping context: promoting the area to businesses and investors as well as extending the reach of the traditional tourism industry (eg into retail, leisure and related service/hospitality activities). In order for this industry to maintain its current competitive position and ensure it can provide an attractive alternative to foreign travel, investment to build a quality offer will continue to be required. In addition, the fragmented nature of the industry means that co-ordinated action will be required to promote and market the offer.

Form and Governance

17. We believe the right model for a Greater Lincolnshire Local Enterprise Partnership is for it to take the form of a non-incorporated advisory board with one of the local authority partners hosting the secretariat and acting as Accountable Body. Details will need to be agreed, depending on participating authorities, but we have a track record of operating in this way, for example Lincolnshire County Council already has experience in this area as the Accountable Body for the East Midlands ESF Local Authority Consortium. This model replicates that successfully used over the past year to operate the Lincolnshire & Rutland Employment & Skills Board.
18. The relationship between the partners would be governed by a legally binding Memorandum of Understanding agreed and signed by all partners.
19. This model is supported by business and would have the dual advantages of allowing business members to focus their contribution on developing the economy rather than being directors of a business (with the legal obligations that would bring) and allowing the Partnership to operate with a minimum level of overheads: the incremental cost to the host authority (which partners would share) being minimal.
20. The Board of the Local Enterprise Partnership will be a focused group of business and civic leaders chaired by a local business leader.
21. Business will be represented by prominent businessmen and women from across the area who between them will:
 - Represent the important industry sectors

- Represent different sizes of business
 - Represent for profit and social enterprise businesses
 - Provide links at senior level into the major business representative groups including the Chamber of Commerce, Confederation of British Industry, Federation of Small Businesses and Institute of Directors
22. “Academia” would be a core part of the Board, including HE and FE sectors, both of which are critical to the success of the Partnership, working together to deliver integrated learning pathways through teaching, research and technology.
23. The remaining Board Members will be drawn from the Local Authorities in the area covered by the Partnership (District, Town and Parish Councils will be represented as well as each of the Upper Tier Authorities).
24. There will be strong links with the Employment & Skills Board as well as with other public and third sector partners.
25. Delivery will be through well established and successful existing arrangements. Economic regeneration has always been a high priority in Greater Lincolnshire, for example Lincolnshire County Council is part way through a wide ranging five year programme of activities, financed both by grants and by local authority funds. This programme is built around building clusters of economic excellence, a diverse economy with high level skills supported by top class education, research and knowledge sharing. The current programme will create over 5,000 jobs in Lincolnshire (2,000 have already been created) and support around 2,000 businesses to improve their performance.
26. Our proposals build on a history of successful working across boundaries between business and the public sector:
- Lincolnshire’s Local Strategic Partnership, the Lincolnshire Assembly, independently chaired by the Bishop of Lincoln, has successfully brought together a range of business interests, the public sector and third sector. The partnership has operated for a number of years, producing the current Lincolnshire Economic Strategy and Lincolnshire’s Sustainable Communities Strategy. It has been serviced by Lincolnshire County Council
 - Lincolnshire County Council has been an active member of Lincolnshire Enterprise, the local sub-regional strategic partnership created by *emda*, the East Midlands Regional Development Agency. This partnership between business, the public sector and the third sector successfully oversaw the investment of over £50M in the County’s economy during its five year life.
 - Lincolnshire and Rutland have a long history of joint working on the employment and skills agenda, and for the past year have successfully operated a combined employer led Employment & Skills Board
 - Lincolnshire, Rutland, North Lincolnshire and North East Lincolnshire have worked together and with the private sector for a number of years to promote the area through Lincolnshire Tourism (now trading as Visit Lincolnshire)
 - Lincolnshire County Council and Peterborough City Council have recently worked together to build the Spalding to Eye link which will become part of the A15 and significantly improve transport links between Peterborough and the south of Lincolnshire